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DEMOCRATIC GERMAN REPORT

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Rubber-Soled Prussianism

"Herr Strauss, the Defence Minister, yesterday sponsored a military mannequin show in the Bundeshaus in which the democratic jackboot provided the obvious sensation of the season. The Minister pointed to the boot's democratic characteristics: the shorter leg, the softer leather, the strap at the top and, above all, the rubber composition soles and heels. No soldier could click his heels in these. Whether or not the composition rubber is incompatible with Prussian militarism or will only deaden the sound of its approach, the 'demokratischer Kampfstiefel' is superior to the British ammunition boot . . . Altogether it is a useful dress which should find favour with the rising generation."

"The Times" London,
February 14th 1957.

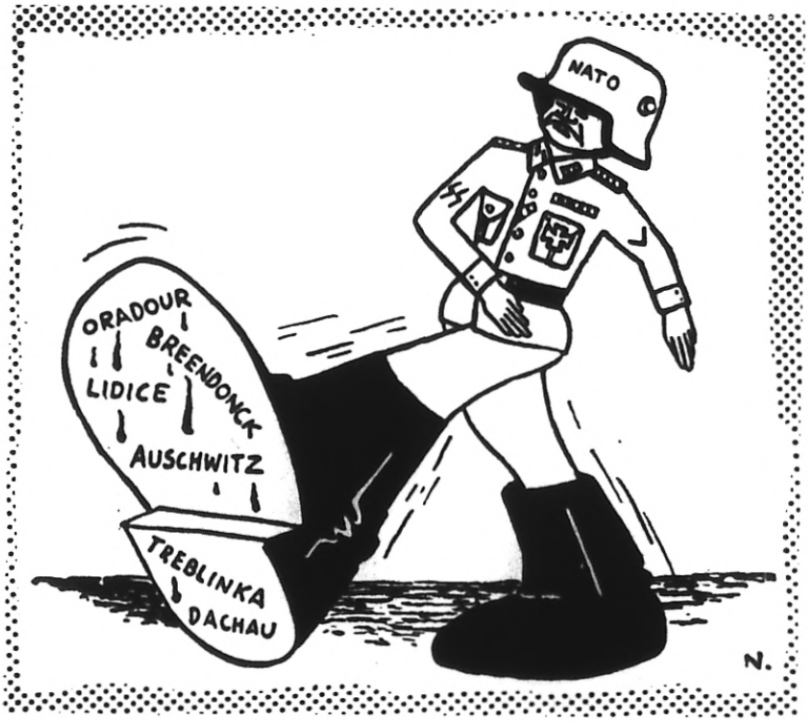
GOING UP!

Production, Wages, Pensions All Rise in E. Germany

The industries of the German Democratic Republic produced seven percent more goods in 1956 than in the previous year; pensions and the wages of low-income groups were considerably increased; prices were slashed once more; and at the beginning of the current year first steps were taken to cut the industrial working week by three hours.

This was the encouraging picture of developments in Democratic Germany given by the official plan report on the year 1956 published in Berlin on February 14th, and additional official information.

The plan report showed that there had been a steady upsurge in all branches of industry, producing the final figure of a seven percent rise in production: although this was a big increase, it was not quite so large as planned, and the plan as a whole was only fulfilled 98 %. It was officially stated that the non-fulfillment had been at least partly due to unscheduled difficulties with regard to coal imports. Home coal production was fully up to plan targets, and steel production was slightly above the scheduled figure. (Detailed statistics on production in the various branches of industry are given on the next page.)



(from "Die andere Zeitung" W. German left-wing Social Democratic Weekly)

Investment in industry was up 34 % on the previous year, and there was greatly increased industrial building; the plan report sharply criticised the fact that the housing programme for 1956 had not been fulfilled.

Achievements in agriculture were also criticised; potato production rose sharply, but the output of corn and sugar beet fell well below the targets set. The plan report attributed this drop to poor husbandry and the insufficient supply of fertilisers.

Foreign trade and trade with West Germany increased by 12 % compared to 1955, and Democratic Germany is now importing and exporting more than three times as much as in 1950. There were particularly large increases in trade with the following countries: Syria (191 %); India (105 %); Iceland (106 %); Egypt (61 %); Greece (52 %).

Production and trading successes were reflected in a steady

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rise in the standard of living. Most favoured by the increase were the low-income groups: pensioners, workers in previously underdeveloped country districts, and shop assistants in the socialist trading system. The incomes of all these groups were boosted by the following measures:

1. **Pensioners.** All old-age pensioners, disabled persons and drawers of widows' pensions received an increase of 30 marks monthly from December 1956. The minimum old-age pension is now 105 marks monthly, and the minimum widows' pension is now 95 marks. The pension reform was the first step towards a complete re-jigging of the pension system, under which all pensioners will ultimately receive a pension amounting to at least 50 % of wages while in full employment. Target date for the completion of the reform is 1960.

2. **Low-income workers.** About one million workers in the lowest income category received a big wage boost on October 1st. The average annual wage increase amounted to about 250 marks — enough in most cases to pay some six months rent. The wage increase was implemented by abolishing the previous categories of wage district C and D, mainly country districts where wages had been fixed at a lower level in the old capitalist Germany. The wage boost was the first step towards establishing a unified wage structure throughout the whole of Democratic Germany.

3. **Shop assistants.** The earnings of shop assistants in socialist trade were considerably increased on October 1st by the introduction of a premium system, under which each salesman or salesgirl receives a fixed percentage of turnover. Additional monthly earnings from this source averaged 30 marks per head, and the reform had the additional advantage of giving every shop assistant a personal interest in increasing turn-over and serving customers well.

EAST GERMAN PRODUCTION FIGURES

Product	1955	1956	
Electricity	28,700	31,200	million kw. hours
Hard coal	2667	2743	thousand tons
Soft coal	200	206	million tons
Coal briquettes	51	51.6	million tons
Iron ore	472	455	thousand tons
Pig iron	1517	1574	thousand tons
Block steel	2507	2740	thousand tons
Rolled steel	1907	2036	thousand tons
Foundry machinery	24.5	27.8	thousand tons
Light industrial machines	183.5	197.2	million marks
Printing machinery	64.9	67.7	million marks
Electric locomotives	212	234	units
Agricultural machinery	353.8	379.4	million marks
Cars	22.2	27.3	thousand units
Motor cycles	61.1	68.3	thousand units
Powered bicycles	19	102.3	thousand units
Electric motors (1–10 kw.)	189.8	205.5	thousand units
Sulphuric acid	483	499	thousand tons
Caustic soda	256.9	274.8	thousand tons
Nitrogen fertiliser	293.4	299.7	thousand tons
Phosphorous fertiliser	84.6	111.7	thousand tons
Petrol	621.7	641.7	thousand tons
Cement	2971	3439	thousand tons
Bricks	1963	1952	million units
Tiles	186	321	million units
Refrigerators	17.3	23.9	thousand units
T.V. sets	38.6	55.4	thousand units
Electrical household appliances	87.6	106.1	million marks
Mirror-reflex cameras	151.3	159.5	thousand units
Office machinery	97.4	110	million marks
Furniture	610	647	million marks
Textiles	502	499	million sq. metres
Perlon	1500	2000	tons
Meat	496.4	527.2	thousand tons
Margarine	183.3	193.5	thousand tons
Cheese	22.2	26.4	thousand tons

The measures detailed above greatly increased the incomes of several million persons, but in addition all inhabitants of the German Democratic Republic felt the benefit of the all-round price reduction which went into effect on June 4th 1956. Main reductions were made in clothing, where prices were cut between 25 % and 50 %, and in industrial goods such as vacuum cleaners, bicycles, typewriters and refrigerators. Families were particularly benefited by a 35 % all-round reduction in children's clothing, and a 25 % reduction for children's shoes.

Other benefits for working mothers during the year included the increase of places in nursery schools and day nurseries from 222,000 to 274,000.

As the year 1956 ended, all preparations were being made to cut the working week from 48 hours to 45 hours. The first two months of 1957 showed that the change-over was going smoothly in most cases, and by June it was expected that the great majority of industrial workers would already be working the new short week. The change-over was scheduled to be completed by August 1957.

The introduction of the 45-hour week was scheduled as the first step towards the 42 hour week, which under present plans will be introduced in stages between now and 1960.

. . . BUT DIFFICULTIES TOO

Deputy Premier Discloses Bottlenecks

Some of the difficulties still confronting the economy of the German Democratic Republic were detailed by Deputy Prime Minister Heinrich Rau in a speech to ship-builders at Rostock on February 18th. After detailing the successes already achieved in building a planned economy, Heinrich Rau continued:

"We must emphasise that on the other hand we did not achieve in the past year all that we had planned to do." Some branches of industry did not fulfil the production plan, particularly the engineering industry. The export plan was also not fulfilled.

"This is particularly serious. Our export plan is based on hard orders placed by our trade partners in the socialist countries, in the independent national states, and various capitalist countries. If we do not fulfil these obligations, this harms the reputation of the German Democratic Republic. How can, for instance, an independent national state rely on our technical assistance if it finds that we do not fulfil our obligations?

"But that is only one side of the picture, the political side. The other side of the picture is the damage done to our own economy. Democratic Germany is very dependent upon imports. We have to import a large part of our raw materials, as well as consumer goods and food. We need 9,800,000 tons of hard coal annually, but we only produce 2,700,000 tons ourselves, and the rest has to be imported. One third of the rolled steel that we need comes from imports. We have to import all of the 95,000 tons of cotton that we need, as well as a large proportion of the wool. All that has to be imported and paid for, and we can only pay for it by exporting.

"If the engineering industry, including ship-building, lags behind in fulfilling export obligations, this is particularly disturbing, since the products of the engineering industry should make up between 60% and 65% of our total exports.

"What are the reasons for this lag? First of all, the work organisation in many factories is not in order; the goals set by the plan can only be reached if things are put in order. This is not simply a question for the factory director and the technicians; everybody who works in the factory must take part in solving this problem.

"But there is something else which must be done, particularly in our engineering factories. Many people still have the idea that we should use as many as possible of the machines which we produce in our own factories. Naturally it would be nice if we could, in the next year or two, renew a large part of the machine parks in our factories. If we did this, however, the result would be that the workers would find themselves standing at their nice new machines without any raw materials to work on. Therefore we have to reach the right proportions, and export what is necessary in order to be able to import the raw materials.

"We have to reach the right proportion between investment at home, and export; this proportion cannot be re-adjusted arbitrarily. By increasing our capital investment at home in 1956 by 32% we already went faster than we could afford, with the result that our export plans could not be fulfilled."

WEST GERMANY'S LONGEST STRIKE ENDS

Thirty thousand metal workers in Schleswig-Holstein returned to work on February 15th, after winning most of their demands in a strike which lasted almost four months. The union ballot showed 40% of the workers favoured a return to work on the basis of the arbitration award, and the strike ended, since union rules call for a 75% vote for strike action.

The strike began on October 24th 1956, after employers had flatly turned down union demands for 18 days annual holiday, extra holiday pay, and sick pay from the first day of sickness, instead of the present wait of three days. Under the arbitration award the workers won substantially the revisions of sick pay which they had demanded, and 18 days holiday for workers over 35. The demand for extra holiday pay was rejected.

The ending of the strike was the signal for a bitter attack on the trade unions by Ludwig Erhard, West German Minister of Economics. He stated that the strike had "borne all the signs of a class struggle which we had imagined had long been forgotten". It was the duty of the trade unions to work for the good of the nation as a whole, and not to try to enrich themselves at the cost of others, Minister Erhard stated. He linked his attack on the unions with an attack on the Social Democratic Party which, he said, had exploited the strike for its own party political ends.

The chairman of the West German Trade Union Federation, Willi Richter, answering Minister Erhard, stated that his attack showed that he was a "Minister of the Employers" and that he had no understanding of the social facts of life. The Metal Workers' Trade Union, in an official comment, said that Minister Erhard had poured oil on the flames of social conflict, and accused him of supporting the employers and thus prolonging the strike.

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EAST GERMANY'S URANIUM

Biggest Reserves in Europe

East Germany has the biggest uranium reserves in Europe, and the export of uranium ore was an important factor in the foreign trade of the German Democratic Republic, Deputy Prime Minister Fritz Selbmann declared in an interview published on February 17th in the East Berlin weekly "Sonntag". Here is the full text of the interview:

Question: Can you tell us something about the character of the Wismut Soviet-German Limited Company? How is the share-holding divided? Is the board of directors constituted on a basis of parity?

Minister Selbmann: The shares in the limited company are held half by the Soviet Union and half by the German Democratic Republic. This was laid down in an agreement between the two countries concluded in 1953. The company is managed by a board of directors consisting of two German citizens and two Soviet citizens. The chairman of the company is a German citizen; the director general of the company is a Soviet citizen. He has two deputies, both citizens of our Republic.

Question: It is a matter of public knowledge that after the defeat of fascism the uranium mines in the Erzgebirge mountains were run for a period by a Soviet limited company. At this period, what effect did the mining of uranium have on the increase in strength and the technical progress of the camp of peace?

Minister Selbmann: After the capitulation in 1945 the mining of uranium ore was prohibited for the whole Germany. The mining of the ore could only be undertaken by a Soviet organisation. The mines and the other installations were built with Soviet funds by the Soviet Union. The Soviet mining of the uranium ore made a substantial contribution to the speedy development of atomic techniques in the Soviet Union, and led to a strengthening of the camp of socialism in the field of atomic technique. The progress made in this field is of great benefit to the German Democratic Republic today, since the Soviet Union is giving us great technical and material aid in the development of our atomic technique. This is shown in various ways: by the participation of our Republic in the United Institute for Atomic Research at Dubna (in the Soviet Union, ed.); the delivery of technical documentation, and the delivery of material by the Soviet Union for the construction of the Atomic Research Centre of the German Democratic Republic and our first atomic energy plant.

Question: Can you tell us something about the production costs of the uranium produced by the Wismut Soviet-German Limited Company, and the way it is paid for?

Minister Selbmann: The production of the Wismut Company is mainly delivered to the Soviet Union, since only the Soviet Union has the necessary facilities for treating the ore. The uranium ore produced by the Wismut company is delivered to the Soviet Union at a price which fully covers the cost of production. The supply of uranium ore to the Soviet Union is a genuine export which has a very favourable effect upon the foreign trade balance of our Republic.

Question: What is your estimation of the importance of our uranium reserves and their exploitation by the Wismut Company with regard to the economic and political strength of our Republic?

Minister Selbmann: The uranium reserves exploited by the Wismut Company are the largest in Europe. The mining of the uranium ore in our Republic results in conditions favourable to the development of atomic technique, and later for the production of electricity by atomic power. It ensures independence from the capitalist market, and thus serves to strengthen further the Soviet Union and the camp of socialism.

Question: In what way do our uranium reserves strengthen the claim of our Republic for membership of the International Atomic Energy Agency established in autumn last year in New York?

Minister Selbmann: It is well known that our Republic has requested that the German Democratic Republic should become a member of the International Atomic Energy Agency. The provisional statutes of the Agency lay down that all countries with large uranium reserves and a developed atomic economy should be members of the board of the International Agency. In its participation in the International Atomic Energy Agency our Republic would not only represent its own interests, but would also give its support to all efforts for a purely peaceful use of atomic energy, and would also work for equal rights for the small countries. The German Democratic Republic continues to press for representation in the International Atomic Energy Agency.

(Editorial Note: The Wismut Soviet-German Limited Company is the only industrial enterprise in the German Democratic Republic with foreign participation. All other Soviet Limited Companies in the Republic were dissolved at the end of 1953, and their assets handed over to the German Democratic Republic.)

NAZI "FORGETS PAST"

"I was interested to learn that the new Senior Naval Attaché at the German Embassy (the West German Embassy in London) is Lieutenant-Commander Arnim Zimmermann. He has an interesting history. In 1945 he was in the Channel Islands at the time the Germans were forced to surrender to the British. He was sent by the German Commandant, Major-General Heine, to contact the British representative aboard the destroyer 'Bulldog'. He behaved with quite remarkable arrogance. On his arrival he gave the Nazi salute and refused to sign the unconditional surrender . . .

"Zimmermann said yesterday in London: 'After the war I returned to Germany. I have kept up my interest in the Navy. I was till my recent appointment in control of minesweeping in all German territorial waters.' He added: 'We are allies now. The past is forgotten. I have my work to do.'"

Columnist William Hickey in Daily Express, London, February 21st 1957.

E. Germany on the Air

The latest news and views from the German Democratic Republic can be heard every day except Sunday in the English-language broadcasts of Berlin radio at 20.30 GMT and 22.30 GMT on the following wavelengths: 30.83 m (9730 kc); 41.69 m (7150 kc); and 49.06 m (6115 kc).

Reprint From "Neues Deutschland" Berlin

THE ROCKEFELLER LETTER

On February 15th 1957 "Neues Deutschland", central organ of the Socialist Unity Party of Germany, published the full text of a letter stated to have been sent by Nelson A. Rockefeller to President Eisenhower.

In its introduction to the letter "Neues Deutschland" stated: "Today we are in a position to present to the world the authentic text of a confidential letter sent by Nelson A. Rockefeller, heir to the great American oil trust Standard Oil, to President Dwight D. Eisenhower in January 1956. We are in possession of the full text of the letter in the original English: the text comes from a source of undoubted reliability."

Here is the full English text of the letter:

My dear Mr. President,

I am reluctant to revert to that lengthy and tiresome discussion which took place in Camp David in connection with my proposal regarding a bolder program of aid to under-developed countries. However, recent political developments have shown that our discussion was not a sterile one and that the time has now come when I should state some points that have occured to me which though they do not pretend to be original may all the same be of some help in approaching one of the most important problems of our foreign policy.

First of all I would like to express my deep satisfaction with the new Bill increasing the allocation for aid to underdeveloped countries. If I am not mistaken the Bill obtained your approval following Sir Anthony Eden's visit to Washington. The Bill was weil timed, particularly in the light of Ambassador Cooper's recent reports emphasising the catastrophic drop in American prestige in India especially after Mr. Dulles' statement that Portugal should keep Goa.

"HOOKED FISH NEEDS NO BAIT" See Inside

I am sorry to have to point out that my arguments in favour of expanding our economic measures were misinterpreted. I have not, and never had, any fundamental differences with the Administration as regards the general line of our foreign policy. I appreciate as much as anybody does the importance of military alliances, but I believe that they call for an approach different from that of the State Department so far. We should not shut our eyes to the fact that military alliances are becoming increasingly unpopular just now because of the active foreign policy offensive launched by the Russians.

"What is good for Standard Oil"

We must face the fact that during the past two or three years the policy of building up military alliances has sustained serious setbacks. SEATO may serve as an example of this. The main Asian countries have refused to join it.

The fate of our most recent military project has been even worse. I refer to the Bagdad pact, considered by Dulles as an important success for American diplomacy — something claimed by the British as well.

True, on paper and on the maps the Bagdad pact looks well enough. It ties up four Middle East countries into a single military union, well disposed towards us. These countries are located directly on the southern perimeter of the Communist world and present valuable reserves of strategic raw materials and man power.

However, one of these four countries, Turkey, is already connected with our system of defence through NATO, and another, Pakistan, is a member of SEATO. At the same time, most of the Arabian countries have not joined the Pact, holding that the Pact is by its very nature contrary to their national interests.

Serious Setbacks

The creation of these alliances in fact did not secure the ends desired by us either in South-East Asia or in the Middle East since we failed to include in the Pact or in the Organisation countries whose membership was vital for success. In saying this I do not mean to say that these organisations are of no use to us, that they should never have been created. It is not the pacts that I criticize, but the methods chosen for their establishment. I will not use the well known paraphrase: "What is good for Standard Oil is good for the USA", but all the same I cannot ignore the fact that neither the Bagdad pact nor SEATO guarantee us the use of the valuable resources of areas concerned. What is more, they do not guarantee even the security of those potentially vital bridgeheads.

The failures in our post-war policy in Asia are the more glaring when seen against the background of the visit by the Russian communist leaders to India, Burma and Afghanistan and the readiness shown by the Soviets to undertake largescale economic co-operation in this region. These Russian moves which we have so far so regrettably failed to counter in any effective way may have far-reaching economic and political consequences for the future of all the countries of Asia. Therefore if we are not only to consolidate existing military alliances and arrangements but also to create new ones — assuming such pacts are a convenient form for our relations with other countries — we must begin to act in conformity with the new situation that confronts us.

The discussion which culminated at Camp David and which resulted in my resignation concerned not so much the essence of our relations with underdeveloped countries at the present moment or, rather, was not concerned with the theoretical principles of our policy in the backward areas so much as with the means and ways of pursuing that policy. I refer to this dispute because some of my arguments apparently had a favourable effect and contributed to the approval by you of the Bill providing for the increase of aid to underdeveloped countries. It is in this connection that I have tried once again in this note to formulate my opinion on the changes that seem to me essential in our policy in Asia.

Analysis of Foreign Policy

To put the problem in a nutshell — our policy must be both "global" i. e. embrace every part of the world and also "total" i. e. include political, psychological, economic, military and special methods integrated into one whole. In other words the task is to hitch all our horses in a single team. To illustrate my point of view better I want to attempt some analysis — even if it is a superfical one — of some aspects of our foreign policy as it has been conducted in Europe and Asia.

In Europe we started with economic aid. It is quite possible that without the Marshall Plan we would have found it more difficult to form NATO. What in fact happened in this case was that a co-ordinated foreign policy, using every kind of pressure, resulted in the creation of what we hoped was a solid military union. Even critics within NATO itself say that it suffers from undue emphasis on the military aspects at the expense of the economic factors which played such a big role in its formation.

In Asia our efforts were far less successful. The principal reason for this can, I believe, be clearly stated: the conception of force was too nakedly shown, too much stress was laid on the military side while we largely ignored the importance of preliminary economic preparations for the alliances we wished to make.

This underestimation of the vital economic aspects on the part of the State Department has led to the creation of SEATO and the Bagdad pact on a foundation of sand. And I would prefer to see the sand cemented. The American tradition has been that "the flag follows trade". In spite of this wise tra-

dition all our energy was directed to building up the military side of SEATO. It is hardly plausible, however, that the members of SEATO would want to be involved in a war with communist China, with the US backing Chiang Kai-shek. Yet this apparently was the State Department's calculation.

I confess that I am gratified when I see that more and more people in the Administration are coming to the conclusion that ill-considered military steps sometimes weaken and even totally destroy the effect of economic measures the necessity for which you have come to see for yourself.

But the same military measures will often be found unobjectionable if the way to them is paved with economic aid.

You of course know, Sir, that in the vast underdeveloped regions of the world the most serious problem of all is the lack of capital, equipment, administrative personnel and technical specialists. We must always take this fact into account in all our planning. If we believe in military arrangements we should be prepared to pay for them.

However the 'payment' must be done in a different way from that followed hitherto. Thus, for example, although economic and technical aid to underdeveloped countries last year ran to more than $ 1,000,000,000 in fact more than half of this sum was concentrated in three countries where military and political rather than economic considerations were the controlling factors. These countries were South Korea, Formosa and South Vietnam.

Remember Iran

I am happy to see that the Administration has at last ceased to sit on the fence, as it were, of military alliances, impotently watching the growth of nationalism among Asian peoples who are simultaneously in receipt of American armaments and Russian technical aid. I am pleased to see that the Administration, even though under the influence of external factors, has at last paid due attention to the economic side of our military alliances, has recognised that economic policy is inseparable from military policy.

The most significant example in practice of what I mean, was the Iranian experiment with which, as you will remember, I was directly concerned. By the use of economic aid we succeeded in getting access to Iranian oil and we are now well established in the economy of that country. The strengthening of our economic position in Iran has enabled us to acquire control over her entire foreign policy and in particular to make her join the Bagdad pact. At the present time the Shah would not dare even to make any changes in his Cabinet without consulting our Ambassador.

To sum up, the considerations stated here have brought my friends and myself to the conclusion that our political program must be based on the following fundamental considerations:

1. We must continue the measures designed to create and strengthen our military alliances. For these alliances, while potentially useful in warding off any communist aggression and in preventing nationalist outbreaks, consolidate our entire position in Asia and the Middle East.

We should not ignore the vital fact that virtually all of our natural rubber, manganese, chromium and tin, as well as substantial proportions of our zinc, copper and oil and a third or more of the lead and aluminum we need comes from abroad, and, furthermore, that it is chiefly drawn from the underdeveloped areas of Africa and Asia, which are in the orbit of one or other of the military alliances built by the US. This is also true of a major part of our "superstrategic material" (uranium ore, in particular).

Economic Penetration

2. In order to strengthen and, if possible, to broaden these alliances we must draw up a program of economic development extensive enough for us to have in Asia, Africa and other underdeveloped areas a political and military influence as great or greater than that we obtained through the Marshal Plan in Europe. That is why the main flow of our economic allocations for underdeveloped countries should be channelled through bodies set up to serve our military alliances. This should serve to make the alliances themselves more attractive. If necessary, certain changes in the form of these alliances should be considered.

In other words, wherever possible we should emphasize the economic aspects of our alliances. We should widely and wisely make use of economic aid to those countries which we intend to draw into alliances with us, but we should do it more flexibly and carefully than hitherto. In the past we have sometimes tied up the provision of economic aid with demands to join one or other of our alliances in such a crude manner that many potential allies were alienated. It is necessary for us to act carefully and patiently, and in the early stages confine ourselves to securing very modest political concessions in exchange for our economic aid (in some exceptional cases even without any concessions in return). The way will then be open to us, but at a later stage, to step up both our political price and our military demands.

"Hooked Fish Needs No Bait"

You seemed to be ruled by these considerations when you agreed to offer economic aid to Egypt to help it with the construction of the Aswan Dam. If the Nasser Government accepts this aid a situation will be created in which Egypt will inevitably become bogged down in over-ambitious construction and will need our support for a long period of time. I think it logical to extend this type of co-operation to other countries. And in particular never to forget the theory of cumulative rather than immediate political demands on which it is based.

3. In line with this I suggest that those countries to which US economic aid is to be extended, should be divided into three groups, different methods and

forms of economic co-operation being applied to each of these groups.

First of all, we should pick out the countries with anticommunist governments friendly to us, which are already bound to the US through stable long-term military agreements. In this case governmental subsidies and credits may take the form mainly of military appropriations. The hooked fish needs no bait.

Using Private Investors

Here I agree with the State Department, that the allotment of extensive economic aid, say, to Turkey, might under certain circumstances bring results exactly the opposite of those intended, might, that is, strengthen its tendency to independence and to weakening its existing military alliances. Such countries may be given direct economic aid as well but we must give them only as much as is necessary in order to keep suitable governments concerned in power and to check any hostile opposition elements.

In this connection it will also be necessary to regulate private investment. The government should make use of and encourage private investors, seeing that many political objectives can be secured with their help. In the long run such private investments should allow us to eliminate or neutralise any disloyal opposition or resistance to our policy, and to put increased economic pressure on only local business interests which show uncertainty or hesitate to support us. At the same time economic support for those strata of the local business community which are ready to co-operate with the US should be increased, and the necessary conditions should be created for businessmen of this type to be put in key economic positions and accordingly for their political influence to be increased.

Internal Subversion

The second group includes those countries which pursue or tend towards a neutralist policy. In this case the main emphasis in economic assistance as regards government subsidies and credits should be on creating conditions in which eventually the economic relations established by us would work for and make it natural for these countries to join military pacts and alliances inspired by us. The essence of this policy should be that the development of our economic relations with these countries would ultimately allow us to take over key positions in the native economy. In neutralist countries we should support any tendencies to seek our help in launching extensive economic plans which go beyond what is really practical (e. g. the case of Egypt, mentioned above). By this means we can hope to divert the foreign policy of these countries in a more desirable direction.

In encouraging private investment in these countries support should be given to those sections or individual persons who oppose the present regimes We should thus lay the basis for the orientation of the policy of those countries in a more healthy direction.

The most important member of this second group is, of course, India.

The third group should include colonial countries still directly dependent on their mother-countries (e. g. Morocco, the Belgian Congo and Equatorial Africa etc.) Side by side with measures designed to encourage private investment for these countries, support should be given, in particular cases and within due limit, to native businessmen, who are struggling against their colonial status. In the first stage such aid might take the form of establishing joint enterprises. In supporting such elements we should proceed from the fact that if we do not support them we lose all hope of exercising a restraining influence on them until too late. If this happens the desire for independence may result in a nationalism so strong as to escape not only from the control of the old colonial powers but also from our own control.

Extensive economic aid to all three groups of countries should always be presented as the expression of a sincere and disinterested desire on the part of the US to help and co-operate with them. We cannot afford to economise in ramming home by every propaganda means available to us the disinterested nature of US policy as regards aid to underdeveloped countries. We do not economise on our anti-communist work.

"Penetrate Every Branch"

Meanwhile our investors, our technical experts, and other specialists should make it their business to penetrate every branch of the national economy of backward countries, and to develop them with due respect for our own interests and encouraging the national ambitions of those native businessmen whose political loyalty is not in doubt.

It seems to me that provided all these recommendations are carried out the result should be not only to strengthen the international position of the US as a whole but would also considerably facilitate the fulfillment of any military tasks that may confront us in the future by strengthening existing military arrangements and breathing new life into them.

I would not have written this letter and I certainly would not have written at such length, if I had not been confident of your sympathy with the ideas expressed here, and if I did not hope that these ideas would help us in shaping our policy along sound lines.

Naturally, in this letter I have not been able to put down all my arguments in favour of switching the emphasis of our foreign policy. It is my deep hope however that you and also those responsible for drawing up the budget are now convinced of the need to take measures which will strengthen our position in Asia and perhaps more important, in the Middle East, and have decided to revise the priorities given to the different aspects of this central problem. As my friend put it, we cannot allow future historians to say that in the second decade after World War II freedom throughout the world died of a balanced US budget.

Yours sincerely

Nelson A. Rockefeller

HOW MANY TEARS!

Warsaw Ghetto Epic

Der Aufstand im Warschauer Ghetto (The Rising in the Warsaw Ghetto). By Bernard Mark. Dietz Verlag Berlin, 6.80 Marks. (in German.)

A moving Yiddish folk song tells of the Rabbi teaching little children to read:

"Think my little ones, what you are reading,
How many tears there are in your A-B-C."

And all these tears of which he warned them are compressed in this book on the Warsaw Ghetto; the ghastly story of the round-ups, the shootings and the mass murders by the German troops from the time when the Ghetto was created in 1940 until it was finally liquidated in a sea of blood in April and May 1943.

But this book is not just a book of tears and horrors: it is a book of incredible courage, the story of men and women, who, practically unarmed, rose against their murderers.

Part of the story of the Warsaw Ghetto has been told in many books; best known in the English-speaking world is John Hersey's book "The Wall", which tells in the form of a novel some of the story. But it is only part of the story which John Hersey tells. The full story is told for the first time in this book by Bernard Mark, of the Jewish Historical Institute in Warsaw.

Mr Mark's book, published in Warsaw in Polish in 1952, and revised with additional information for this first German edition, is based upon all the available documents and, where there is no documentary evidence, upon the testimony of the handful of survivors of the Ghetto massacre and the Ghetto battle.

The book disposes once and for all of the widely-held idea that the Warsaw Ghetto rising which began on April 19th 1943 was a last hopeless spontaneous gesture of men and women sentenced to death. It shows quite clearly that on the contrary the Ghetto rising was a well-prepared partisan action, carried through in the main by Socialists and Communists who wanted to strike a blow at the nazis who were oppressing not only the Jewish people, but their Polish compatriots and the whole of Europe.

The hard core of the Ghetto rising, the organised groups of the Jewish Fighting Organisation, variously estimated to number between 600 and 3000 members at the start of the rising, swept with them the overwhelming majority of the 50,000 Jews in the Ghetto, the survivors of the 500,000 Jews who had at one time been confined there.

Who made up these fighting groups? Their composition constantly changed, of course, under the pressure of German raids and massacres even before the rising began, but a listing of the groups, quoted by Mr Mark, shows that on the day when the rising began the Jewish Fighting Organisation was composed of 23 squads, made up as follows: five squads of Communists, five squads of Dror, four squads of Hashomer Hatzair, four groups of the Bund, and one squad each from the Left Poale Zion, the Right Poale Zion, Gordonia, Hanoar Hatzioni and Akiba. This listing shows that with the exception of three groups, all the organised fighters came from the ranks of the Socialist and Communist movements.

Another legend about the Warsaw Ghetto rising, effectively disposed of by Mr Mark's book is that it was organised in complete isolation from the surrounding Polish population. The German occupants of course used their weapon of anti-Semitism, not unknown in Poland too, to isolate the Polish Jews from their non-Jewish compatriots, but this wall of prejudice was effectively breached by sections of the Polish resistance, particularly the left-wing groups.

The Polish resistance supplied the Ghetto fighters with a large part of the weapons, and during the actual rising the "People's Guard", underground organisation of the Polish Communists, made repeated attempts to breach the Ghetto walls from outside, and attacked German positions outside the walls.

Mr Mark's book gives a day-by-day account of the heroic fight in the Ghetto from the beginning of the rising on April 19th 1953 until the end of the main fighting in the middle of May. He also reconstructs, from very fragmentary evidence, the course of further armed resistance which lasted, incredible as it may seem, until September 23rd, when the last armed survivors escaped from the German mopping up squads.

And the book brings to life some of the great heroes of the Ghetto, men who will go down in history, like Andrzej Schmidt, telegraphist and former officer in the International Brigade in Spain, who parachuted into Poland in January 1942 and made his way illegally into the Ghetto to organise resistance; the old worker Leon Fajner who left the comparative security of the "Aryan" part of Warsaw where he was living illegally in order to organise resistance amongst members of the Bund in the Ghetto; and Mordechaj Anielewicz, 22-year-old student, member of the Hashomer Hatzair and commander of the Jewish Fighting Organisation.

These are people who must not be forgotten, and this book by Bernard Mark is their memorial. But there

Book Offer

GERMAN REPORT has been able to obtain a number of copies of "Der Aufstand im Warschauer Ghetto" for distribution to readers. Since only a few copies are available, preference will be given to readers who can ensure a wide readership for the book by presenting it to local libraries. It must be emphasised that the book is available only in German. This offer does not apply to readers in the German Democratic Republic, who can purchase the book from their usual booksellers.

are others whom we must not forget, and those are the German militarists who drowned the Warsaw Ghetto in blood.

It is a favourite excuse of many apologists for German militarism today to say that such crimes as the liquidation of the Warsaw Ghetto were solely the responsibility of the "criminals of the SS". This alibi can easily be disposed of, out of the mouths of the nazis themselves. On May 16th 1943, SS General Juergen Stroop, who commanded the German forces in the Warsaw Ghetto, submitted a bombastic report to Hitler, entitled "There is No Longer a Jewish Quarter in Warsaw". This bombastic report, submitted as evidence at the Nuremberg Trials under the number 1061-PS, stated:

"When it is considered that the men of the Waffen-SS had mostly had only three or four weeks training before they went into action (in the Ghetto), then particular recognition must be given to their smartness, courage, and readiness for action. The Pioneers of the Wehrmacht showed much pleasure in their untiring work of blowing up bunkers, strong-points, and sewers. The officers and other ranks of the police, who had mostly had front line experience, proved their dare-devil qualities once again."

ANTI-SEMITISM HAUNTS W. GERMANY

By Dean Heinrich Grueber, Evangelical Church Leader

Ten years ago, at an all-German meeting of the Association of Victims of Fascism in Bad Pyrmont, I spoke on my impressions of the first signs of reviving anti-Semitism. "Anyone who slanders a Jew slanders us and attacks us, who have worn the honourable concentration camp uniform with him" I said.

Those were the times when proof of imprisonment in a concentration camp still meant something and we could believe that, through the common experience won by all resistance fighters in prisons and concentration camps, a basis could be found for the reconstruction of Germany as a free and peace-loving people.

We had one wish — to carry out the will of our murdered comrades, to be watchful and to take care that Germany should not again be dragged into those depths of inhumanity and brutality.

Any mention of this common experience and this common duty today calls forth scorn or pity and labels one as an unpractical dreamer. At that time we were moved by the fear that Hitler might have been right when he said before he made away with himself: "When I am dead my spirit will live after me".

Yes, his evil spirit still haunts a large part of our people today. Even the most troubled souls would not have dreamed in 1945 and 1946 that things would deteriorate so rapidly.

But large numbers of people no longer bother about the fact that the murderers — Clauberg, Sommer, Schubert and the others — are with us again. For today no-one marches down the street singing "Free the road for the brown battalions" or shouts "Let the Jews rot". The slogan now is "official posts for the brown 131ers". They know how to camouflage their activities; that is why they get away with it with the German sleepyheads.

The chief actors and statisticians in that bloody drama have made a secret conspiracy with those who stood by and applauded it; they must take a share of the blame because of their howls of "Heil Hitler" and their encouragement.

If one speaks about these things today to responsible men and to those who take it upon themselves to shape political life in West Germany, they often answer with a shrug of the shoulders: "There is nothing to be done about it". There are occasional stirrings of conscience, as when a West German provincial state secretary admitted that he has had to employ so many 131ers in senior posts that it has become a nightmare to him.

General Wenck, propaganda minister Goebbels' last hope, is held up as the greatest hope of the West German NATO army today. This is possible because of the fiction about the great "world enemy", which has also made it possible to put confirmed nazi generals back into key posts. They work with this fiction about the "great danger" as if it were a proven fact which could be proved by political realities, although everything speaks against it. The millions who want to be left in peace lap up this fiction and, half awake, gives themselves out as persons with special political insight.

It is not necessary to point out that the former nazis have in many cases done much better for themselves than their former victims, and that the former murderers are living better than the victims' relatives. This is what we were afraid of ten years ago, and things have developed differently and more seriously than we expected, until today our warnings are no longer taken seriously.

Ever since 1945 we have been against collective measures and have helped those who were condemned collectively — those who had believed they could save themselves and their families and their jobs by wearing the swastika — to get work again. But we were even more strongly against those whose hands were bloody, who had watched murder done without protest or had even applauded it.

A fact not generally known in Germany is that the disturbances in Hungary were also partly persecutions of Jews. I have here a letter from a friend in Hungary, an evangelical theologian who during the nazi period had already helped victims of anti-semitism. He writes that a chief rabbi told him that ninety Jewish families have fled from his community alone because of antisemitic persecution by so-called liberation fighters.

Leaflets and wall slogans like "Hurry up, Itzig, or you won't get to Auschwitz", or "We want a Hungary free of Jews" were sprinkled amongst praise of Hitler and Szalazi.

In the knowledge of all these things, I can only conclude with the statement of the Evangelical Synod on the Jewish question:

We warn all Christians to consider what God's judgment has brought upon us as part of the payment for what we have done to the Jews, for God's pardon will fall upon those who repent. Those who really seek forgiveness for their share in those crimes which they permitted know that there can be no doubt or hesitation here, that the only possible decision is: "Never again!"

("Neue Zeit", East Berlin, February 21st)

Trade with USSR Up One-Third

Trade between the Soviet Union and the German Democratic Republic will be increased by over 36% this year as compared with 1956, under the terms of a trade agreement concluded in Berlin on February 20th. Under the agreement the Soviet Union will supply considerably larger quantities of coal and steel, both of which are bottle-necks in East German production, as well as large amounts of oil, wool and foodstuffs. Democratic Germany will send mainly machines, locomotives and ships to the Soviet Union; considerable quantities of consumer goods are also included in the items to be supplied.

Crime Sinks in East Germany: Rises in West

Crime is steadily decreasing in East Germany, and the crime rate is now only one-third the rate in West Germany, where convictions are steadily rising. The development is shown by the latest official statistics of convictions (in thousands) published in both parts of Germany:

Year	E. Germany	W. Germany
1949	106	395
1950	78	296
1951	87	401
1952	84	463
1953	76	485
1954	68	502
1955	62	+

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LETTER BOX

SUGGESTIONS & WITCHCRAFT

"1. Could it not be possible for you to reproduce a leading article from 'Neues Deutschland' or some other national paper of the GDR, perhaps not the whole but some part which would indicate the future intention or public policy of the Government or people of the Republic?

"2. Would it not be possible to encourage visitors to the Republic by some means . . . it would help the economy by bringing in foreign currency and also help for information purposes.

"3. Perhaps by a carefully mapped-out scheme you could devote one column in each issue to a specific trade or profession dealing with such questions as wages, conditions etc., relating them to their fellow conditions here.

"4. I do think a great deal of space is wasted by negative arguments about West Germany. Perhaps if you used a few more positive arguments about the Democratic Republic it would be better.

"5. While considering the GDR as the home of good printing, it follows that your magazine must be an example of the printer's art. Perhaps a small touch of colour would do wonders. How about the Black-Red-Yellow state flag at the top?"

J. Clarence, Wakefield Prison, England.

The editor replies:

1. German newspapers have a tradition of writing "weighty" leading articles, generally starting with the year dot, and some of the more massive leading articles in "Neues Deutschland", the central organ of the Socialist Unity Party, would practically fill an entire issue of GERMAN REPORT. We have tried in the past to present the "future intention or public policy" of the Government of the Republic in the form of summaries of important speeches and government declarations, and most readers appear to have been satisfied with this coverage. Any further complaints on this point would be gratefully received.

2. Tours to Democratic Germany are being arranged this year for British visitors by Progressive Tours, 100 A Rochester Row, London S. W. 1, to whom all enquiries should be sent.

3. We hope to act in future issues on the valuable suggestion that we should give details of wages and conditions in various trades and professions.

4. Most readers who write to us emphasise the value of our "negative arguments" about West Germany. The field covered by GERMAN REPORT is the whole of Germany, and we intended to continue to devote considerable space to developments there.

5. Colour printing would increase our printing costs enormously. Any reader who would like to see some coloured pictures of Democratic Germany should write to "GDR Review", Society for Cultural Relations with Foreign Countries, Berlin W 8, Thaelmann Platz 8 9. The publishers will be glad to send a sample copy of this illustrated monthly magazine.

*

"Since I am the writer to whom you refer as sending you 'odd' mail from Washington D. C., (Berlin Notebook on January 4th, ed.,) which you claim mystify you, I will hereby attempt to express myself in unmistakable terms . . . Since I send copies to the Soviet Embassy here on matters of concern to them, which naturally includes my answers to your publication, I have a hunch that your disclaimer is for their benefit, implying that they have no need to fear that you will be at all influenced by what I write. However, neither they nor you can be sure, for mystifying language has a subtlety which enables it to penetrate through the iron curtain of the inhibitions which are a vital part of the conscious mind, and to speak both to the subconscious faculties of the will which lie in the spinal column and the superconscious faculties whose seat it is everyone's work to discover. So you had better watch yourself, ideas uncongenial to dialectical materialism may influence you in spite of your disclaimer. Worse, once having established a tie with you, I can communicate with that level of your mind which is not limited by the Kremlin dogma . . . This is a form of psychological warfare you had better get hep to."

Rachel Welch, Washington, D. C., USA

The editor replies:

Still mystified, I am now anxiously awaiting the ringing of the telepathic bell in my spinal column. I thought witchcraft had died out, even in the United States.

GUEST NOTEBOOK

Among the current indoor sporting events attracting full-house crowds is the season of indoor-track cycle racing in the Werner Seelenbinder Hall. Every Wednesday, Saturday and Sunday evening from early in January till towards the end of February racing cyclists and fans can give free rein to their cycling fervour.

On a board track 176 metres to the lap some really tip-top racing is staged, including all the events — except six-day and motor-paced — familiar to cyclists throughout the world: sprints, handicaps, team and individual pursuits, time trials, two and three-man team madisons and so on.

International competition is not lacking, and in the past two weeks Danish and Czech riders have been showing their paces.

Track Cycling

From the spectators' point of view this is a spectacular and exciting sport, but the aspect which appeals most to me is the tremendous opportunity this indoor-track season gives to racing cyclists here to keep fit during the winter and to gain experience on a first-class track.

Incidentally competition for tickets is almost as fast and furious as the racing on the track.

Each session provides between fifty and sixty riders with a chance to compete in at least one event. Junior riders too graduate into higher level competition before large crowds of spectators.

While GDR track riders are not yet at the highest levels of world amateur competition there can be no doubt that the facilities here will lead to GDR riders challenging for the highest honours before very long.

From the longer term outlook the interest stimulated in youngsters who have not yet taken up cycle racing is certain to give many of them a desire to surpass the efforts of their present-day heroes.

Terrifying Clubs

Joan Becker's Notebook items a few weeks ago on the young people of East Berlin prompted me to pay closer attention to the subject, purging my mind of all bias and observing with eyes unclouded by recollections of the perfection — never before or since equalled — of the particular youth of my youthful days — and nights.

By Leslie Keith

Mind you, I have not visited such terrifying places as the youth clubs to which Joan went, but for the reasons mentioned above the Werner Seelenbinder Hall has been the venue of thousands of youngsters for several weeks past, so a broad cross-section has not been difficult to find.

Am I showing absolute impartiality in saying that I, too, certainly saw some peculiar types? On second thoughts, recalling some of the photographs in the family album of the youth of yesteryear, I rather doubt it.

One aspect, definitely to the disadvantage of present-day youth, especially of the masculine gender, seems to be the hair style now in favour, which bestows on wearers an unfortunately moronic appearance — in most cases out of keeping with actual intelligence.

Jazz Taboo?

It is commonly supposed outside the GDR that jazz and modern styles of dance music are taboo in this country because they are considered to be an expression of the decadence of capitalist society in the eyes of every true Marxist.

Now I must admit that amongst other subjects on which I am not an expert, jazz and its associated variations can be listed. Nevertheless, unlike other fields of music, jazz cannot be ignored, simply because modern broadcasting and amplifying systems have rendered this impossible.

And this is where a connection between cycle racing and jazz comes in. For some reason rather obscure to us old fogies, it has been thought that an added attraction to the indoor track season would be the simultaneous appearance of one of our leading modern dance bands. Hence the billing of one super cycling event with the extra appeal of "Four Hours with Heinz Igel".

So there, conveniently assembled in the "island" in the centre of the track, were all the requisite ingredients for my observations of the young people here: a crowd of youngsters in every sort of get-up and hair style, a hot-music band, and bars open all the evening (and drinking is not noticeably expensive here, believe me).

Something ought to have happened, but nothing did. They paid attention to the music when nothing special was occurring on the track, but more than once the dance band lost out before the massed whistling of the fans urging on their particular riders.

The youth of East Berlin undoubtedly have good educational, cultural and sports opportunities open to them, opportunities for advancement at work, too. Who is to blame if they do not take full advantage of them? After all, they are living in a world that we older people have made for them.

Day Nurseries

Placing children in day nurseries while their mothers are at work is the cause of endless discussions, very often leading to strong expressions of feeling. Differences of opinion are not confined to those countries which are well served or not served at all in this respect, for the problem is common to all industrialised countries.

In the German Democratic Republic too, where day nursery facilities are expanding rapidly, opinions are by no means unanimous as to whether they are a positive benefit or a necessary evil.

Recently, however, I witnessed a demonstration in favour of day nurseries. Unfortunately, although it was a fully justified and vehement display, like so many other worthy efforts it was bought off with promises. Whether the promises have since been honoured I have not been able to ascertain.

Young Model

One Monday the little daughter of one of my colleagues was put into the day nursery just across the road from our office. On the following Wednesday afternoon her father brought her over to be photographed with some attractive children's coffee services.

But this little lady had other ideas. Tearfully she demanded to be taken back to the day nursery. For some time neither Father's assurances nor the photographer's encouraging attentions prevailed over her desire to return to the nursery at once. However, as has already been recorded, the demonstration was eventually bought off with promises.

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